



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Great Plains Regional Office
115 Fourth Avenue S.E., Suite 400
Aberdeen, South Dakota 57401



IN REPLY REFER TO:

DESCRM
MC-208

APR 02 2012

MEMORANDUM

TO: Superintendent, Fort Berthold Agency

FROM: Acting Regional Director, Great Plains Region

SUBJECT: Environmental Assessment Addendum and Finding of No Significant Impact

In compliance with the regulations of the National Environmental Policy Act (NEPA) of 1969, as amended, an Addendum has been completed and a Finding of No Significant Impact (FONSI) has been issued. The addendum authorizes land use for the well pad expansion of MHA 1-31-36H-150-92 on the Fort Berthold Indian Reservation.

All the necessary requirements of the National Environmental Policy Act have been completed. Attached for your files is a copy of the EA Addendum, FONSI and Notice of Availability. The Council on Environmental Quality (CEQ) regulations require that there be a public notice of availability of the (40 C.F.R. Section 1506.6(b)). Please post the attached notice of availability at the Agency and Tribal buildings for 30 days.

If you have any questions, please call Marilyn Bercier, Regional Environmental Scientist, Division of Environment, Safety and Cultural Resources Management, at (605) 226-7656.

Attachment

cc: Tex Hall, Chairman, Three Affiliated Tribes (with attachment)
Elgin Crows Breast, Tribal Historic Preservation Officer (with attachment)
Derek Enderud, BLM, Bureau of Land Management (with attachment)
Grady Wolf, KLJ (with attachment)
Jonathon Shelman, Corps of Engineers
Jeff Hunt, Fort Berthold Agency

Finding of No Significant Impact

QEP Energy Company (QEP)

Well Pad Expansion of MHA 1-31-36H-150-92

Addendum to:

***Questar Exploration and Production Company September 2009 Environmental Assessment
Four Bakken Formation Exploratory Wells at Four Locations:***

MHA 1-06H-149-91, MHA 1-01H-149-92, MHA 1-31H-150-91 and MHA 1-06-31H-150-92

***Fort Berthold Indian Reservation
Dunn County, North Dakota***

The U.S. Bureau of Indian Affairs (BIA) has received a proposal for an addendum to the above referenced Environmental Assessment (EA). The proposal is to enlarge one of the proposed well pads addressed in the previous EA to accommodate two drilling rigs drilling up to ten wells on the same well pad. The well pad addressed in this document is currently named MHA 1-31-36H-150-92. This well pad was referred to as MHA 1-31H-150-91 in the September 2009 EA/Finding of No Significant Impact (FONSI). The previously authorized well pad access road alignment is proposed to remain in the same location. The proposed well pad is located in Sections 31 and 32, Township 150 North, Range 91 West, 5th P.M. Associated federal actions by BIA include determinations of impacts and effects regarding environmental resources and positive recommendations to the Bureau of Land Management regarding the Applications for Permit to Drill.

The potential of the proposed action to impact the human environment is analyzed in the following Environmental Assessment (EA), as required by the National Environmental Policy Act. Based on the EA, I have determined that the proposed project will not significantly affect the quality of the human or natural environment. No Environmental Impact Statement is required for any portion of the proposed activities.

This determination is based on the following factors:

1. Agency and public involvement solicited for the preceding NEPA document was sufficient to ascertain potential environmental concerns associated with the currently proposed project.
2. Protective and prudent measures were designed to minimize impacts to air, water, soil, vegetation, wetlands, wildlife, public safety, water resources, and cultural resources. The remaining potential for impacts was disclosed for both the proposed action and the No Action alternatives.
3. Guidance from the U.S. Fish and Wildlife Service has been fully considered regarding wildlife impacts, particularly in regard to threatened or endangered species. This guidance includes the Migratory Bird Treaty Act (16 U.S.C. 703 et seq.) (MBTA), the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 et seq.) (NEPA), the Bald and Golden Eagle Protection Act (16 U.S.C. 668-668d, 54 Stat. 250) (BGEPA), Executive Order 13186 "Responsibilities of Federal Agencies to Protect Migratory Birds", and the Endangered Species Act (16 U.S.C. 1531 et seq.) (ESA).

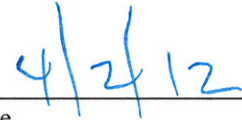
4. The proposed action is designed to avoid adverse effects to historic, archaeological, cultural and traditional properties, sites and practices. Compliance with the procedures of the National Historic Preservation Act is complete.
5. Environmental justice was fully considered.
6. Cumulative effects to the environment are either mitigated or minimal.
7. No regulatory requirements have been waived or require compensatory mitigation measures.
8. The proposed project will improve the socio-economic condition of the affected Indian community.

Acting

Regional Director



Date



ENVIRONMENTAL ASSESSMENT

Addendum

United States Bureau of Indian Affairs

Great Plains Regional Office
Aberdeen, South Dakota



QEP Energy Company

Well Pad Expansion of MHA 1-31-36H-150-92

Addendum to:

Questar Exploration and Production Company September 2009 Environmental Assessment
Four Bakken Formation Exploratory Wells at Four Locations

Fort Berthold Indian Reservation

March 2012

For information contact:

*Bureau of Indian Affairs, Great Plains Regional Office
Division of Environment, Safety and Cultural Resources
115 4th Avenue SE
Aberdeen, South Dakota 57401
605-226-7656*

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PURPOSE AND NEED FOR THE PROPOSED ACTION

QEP Energy Company (QEP) proposes to authorize the expansion of one of the four well pads covered by the previously authorized EA dated September 2009, for which a FONSI was issued. The expansion of the well pad would be used to accommodate up to two drilling rigs on the site at the same time. The well pad is located in the SE¼ of the SE¼ of Section 31 and the SW¼ of the SW¼ of Section 32, Township 150 North, Range 91 West, 5th P.M. The proposed well pad expansion would impact the same general native rangeland land use as the original well pad location. The access road location would remain as previously proposed and authorized. Please refer to *Figure 1, Project Overview Map*.

The well pad expansion would increase the dimensions from the previously approved 505 by 590 feet to 705 by 590 feet. Please refer to *Figure 2, Updated Well Pad Layout*. The northwest corner of the well pad would be rounded to keep the construction from impacting the nearby US Army Corps of Engineers (USACE) surface acreage. Please refer to *Figure 3, Well Pad Dimension Comparisons*. By expanding the well pad, the area of disturbance from the well pad would increase from 7.12 acres to 11.14 acres. The additional impact areas were surveyed during an on-site assessment September 19, 2011.

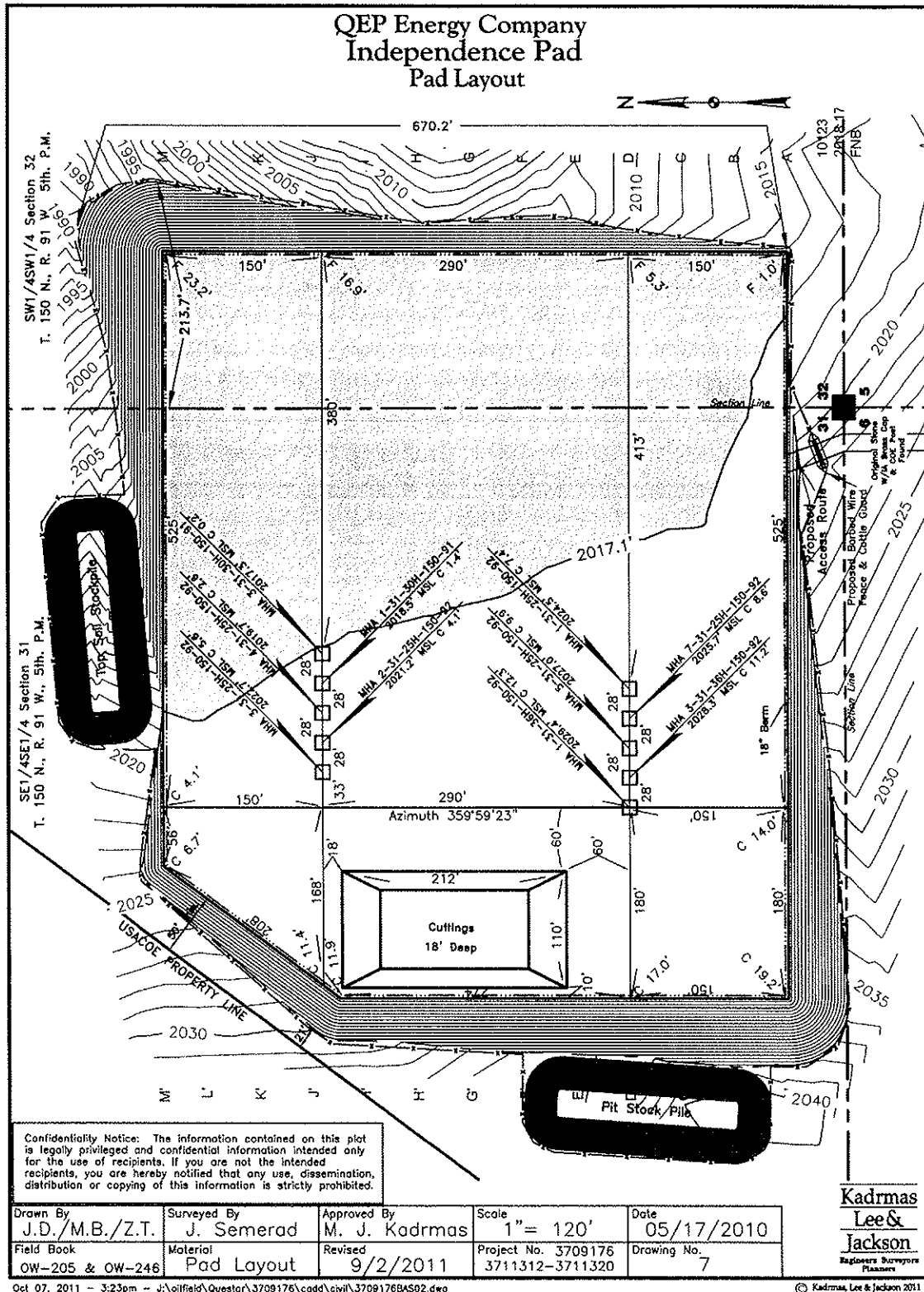


Figure 2, Updated Well Pad Layout



Figure 3, Well Pad Dimension Comparisons

2 AUTHORITIES

Oil and gas exploration and development activities are conducted under authority of the Indian Mineral Leasing Act of 1938 (25 United States Code [USC] 396a, et seq.), the Indian Mineral Development Act of 1982 (25 USC 2101, et seq.), and the Energy Policy Act of 2005 (42 USC 15801, et seq.).

3 LEGAL LAND DESCRIPTION OF PROPOSED ACTION

The proposed well pad expansion would be constructed in the SE¼ SE¼ of Section 31 and SW¼ SW¼ of Section 32, T150N, R91W, 5th P.M. The access road would follow the same road alignment as was previously proposed and authorized for the proposed wells.

4 SCOPE OF WORK FOR PROPOSED ACTION

The proposed well pad expansion would be constructed atop and adjacent to the previously approved well pad. The access road would remain in the previously approved location. The dimensions of the proposed well pad would be increased from 505 by 590 feet to 705 by 590 feet. Additional environmental impacts aside from those disclosed in the previously referenced NEPA documents are anticipated from construction of the proposed well pad expansion.

5 APPLICABLE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) DOCUMENTS

The following NEPA documents have been previously approved by the BIA for the proposed action:

- Environmental Assessment, QEP, MHA 1-06H-149-91, MHA 1-01H-149-91, MHA 1-31H-150-91 and MHA 1-06-31H-150-92 Bakken Exploratory Oil Wells, Fort Berthold Indian Reservation, September 2009. The EA FONSI was issued September 2009
- Addendum to the above mentioned QEP EA to delete the MHA 1-06H-149-91 well and to add (drill) the MHA 1-06-01H-149-92 and MHA 2-06-01H-149-92 wells at the same location. Addendum to EA was authorized by BIA on December 17, 2009.
- CATEX to above mentioned QEP EA to install oil and gas production pipelines within the existing access road ROW. CATEX authorized by BIA on June 28, 2010.
- Addendum to the above mentioned QEP EA to expand the MHA 1-31-36H-150-92 well pad and change the number of wells from two to ten. Addendum to the EA was authorized by BIA on December 17, 2010.

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ASSESSMENT OF ENVIRONMENTAL IMPACTS

The following discussion addresses environmental and social impacts as a result of the well pad expansion. Impacts are only discussed if the well pad expansion has changed the impact assessment reflected in the September 2009 EA, or to note why the impacts assessment has not changed.

A. Land Use Impacts

Construction of the well pad expansion would result in the conversion of an additional 4.02 acres of land from its current use into an oil and gas well pad. This conversion is not anticipated to result in a trend towards changing land use patterns. In addition, disturbance required for construction would be minimized by drilling 10 wells atop a single well pad. No mitigation is proposed. Please refer to *Figure 4, Well Pad Vegetation View South*, *Figure 5, Well Pad Vegetation View North*, and *Figure 6, Well Pad Vegetation View East*.



Figure 4, Well Pad Vegetation View South



Figure 5, Well Pad Vegetation View North



Figure 6, Well Pad Vegetation View East

B. Vegetation

Construction of the well pad expansion will disturb an additional 4.02 acres of vegetation. Upon completion of the wells, a portion of the well pad would be reclaimed to further avoid environmental areas of concern. Per BIA guidance, interim reclamation measures will occur within six months of construction; however, if conditions prevent interim reclamation from occurring within this timeframe, QEP will contact BIA to request an extension.

When conditions prevent interim reclamation, such as winter when germination of grass seed is not practicable, spreading and crimping straw, fiber matting and/or mulch would be utilized to cover bare ground areas until conditions allow seeding and germination.

C. Cultural Resources

A cultural resource inventory of this well pad expansion was conducted by personnel of Kadrmas, Lee & Jackson, using an intensive pedestrian methodology. Approximately 11 acres were inventoried on September 19, 2011 (Ó Donnchadha 2012). No historic properties were located that appear to possess the quality of integrity and meet at least one of the criteria (36 CFR 60.6) for inclusion on the National Register. As the lead federal agency, and as provided for in 36 CFR 800.5, on the basis of the information provided, BIA reached a determination of **no historic properties affected** for this undertaking. This determination was communicated to the THPO on March 2, 2012; however the THPO did not respond within the allotted 30 day comment period.

Ó Donnchadha, Brian

(2012) MHA 1-31-36H-150-92 Addendum: A Class III Cultural Resource Investigation in Dunn County, North Dakota. KLJ Cultural Resources for QEP, Denver.

D. Piping Plover Critical Habitat

Lake Sakakawea shoreline has been designated critical habitat for the piping plover by the United States Fish and Wildlife Service (USFWS). During the September 30, 2010 on-site, BIA recommended that additional spring surveys be conducted for migratory birds. Well pad design included a receptor trench per the USACE guidance, and placing the spoil stock piles in locations to act as a secondary containment for the well pad (northwest corner).

In the event that construction is delayed and should occur during the future migratory bird nesting and breeding seasons, a qualified biologist would conduct pre-construction surveys for migratory birds and their nests within five days prior to the initiation of all construction activities. In the event that migratory bird nests would be found during the preconstruction surveys, the USFWS would be contacted prior to construction on how to proceed.

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ENVIRONMENTAL COMMITMENTS/MITIGATION

- Topsoil will be segregated and stored on-site to be used in the reclamation process. All disturbed areas would be re-contoured to original elevations as close as possible as part of the reclamation process.

- When conditions prevent interim reclamation, spreading and crimping straw, fiber matting and/or mulch would be utilized to cover bare ground area until conditions allow seed germination.
- BMPs (may include, but are not limited to, hydro-seeding, erosion maps and biologs) will be implemented to minimize wind and water erosion of soil resources.
- The proposed well pad and access road would avoid surface waters. The proposed project would not alter stream channels or change drainage patterns.
- A semi-closed loop system incorporating a dry cuttings pit would be used for the proposed project. If fluids are identified within the pit, they would be immediately removed and disposed of in an approved manner.
- The ten proposed wells will be cemented and cased to isolate groundwater aquifers from potentially productive hydrocarbon and disposal/injection zones.
- Wetlands and riparian areas would be avoided
- Disturbed vegetation would be re-seeded in kind upon completion of the project, and a noxious weed management plan would be implemented. The re-seeded site would be maintained until such time that the vegetation is consistent with surrounding undisturbed areas and the site is free of noxious weeds. Seed will be obtained from a BIA/BLM approved source.
- The proposed well pad and access road would avoid impacts to cultural resources. If cultural resources are discovered during construction or operation, work shall immediately be stopped, the affected site secured, and BIA and THPO notified. In the event of a discovery, work shall not resume until written authorization to proceed has been received from the BIA.
- All project workers are prohibited from collecting artifacts or disturbing cultural resources in any area under any circumstances.
- Any utility modifications will be identified during design and coordinated with the appropriate utility company.
- Established load restrictions for State and BIA roadways will be followed and haul permits would be acquired as appropriate.
- Suitable mufflers would be put on all internal combustion engines and certain compressor components to mitigate noise levels.
- The well site and associated facilities would be painted in earth tones, based on standard colors recommended by the BLM, to allow them to better blend in with the natural background color of the surrounding landscape.
- BMPs would be used during construction to ensure contaminants do not move off site.
- The entire pad would be bermed to prevent run-off from leaving the site.
- If a whooping crane is sighted within one-mile of a well site or associated facilities while it is under construction, all work would cease within one-mile of that part of the project and the USFWS would be contacted immediately. In coordination with USFWS, work may resume after the bird(s) leave the area.

- Construction is planned to take place in late 2011/early 2012. If construction takes place during the migratory bird breeding and nesting season, QEP would have a qualified biologist conduct pre-construction surveys for migratory birds or their nests during the spring season and within five days prior to the initiation of all construction activities. The findings of these surveys would be reported to USFWS. If a bald or golden eagle or eagle nest is sighted within 0.5 miles of the project construction area, construction activities shall cease and the USFWS shall be notified for advice on how to proceed.
- Wire mesh or grate covers would be placed over barrels or buckets placed under valves and spigots to collect dripped oil.
- Tank batteries would be surrounded by an impervious dike or Sioux containment system that would act as secondary containment to guard against accidental release of fluids from the site. The containment system would be of sufficient size to hold in excess of 110% the capacity of the largest tank in the battery and 24-hour record precipitation.
- Re-seeding of native species shall occur as needed on stockpile areas and slope areas during reclamation.
- Prior to mobilization, drilling rigs and associated equipment will be pressure washed or air blasted off Tribal lands to prevent the possible transportation of noxious or undesirable vegetation onto Tribal lands as well as USACE managed lands.

8 NEPA ADEQUACY CRITERIA

This document has identified four previously prepared NEPA documents: Environmental Assessment, Questar Exploration and Production Company, MHA 1-06H-149-91, MHA 1-01H-149-91, MHA 1-31H-150-91 and MHA 1-06-31H-150-92 Bakken Exploratory Oil Wells, Fort Berthold Indian Reservation, September 2009; Addendum to the above mentioned QEP EA to delete the MHA 1-06H-149-91 well and to add (drill) the MHA 1-06-01H-149-92 and MHA 2-06-01H-149-92 wells at the same location; CATEX to above mentioned QEP EA to install oil and gas production pipelines within the existing access road ROW; and an addendum to expand the MHA 1-31-36H-150-92 well pad and additional wells.

1. The proposed actions are substantially the same actions and at the sites specifically analyzed in the existing NEPA documents.
2. The range of alternatives is reasonable with respect to the current proposed actions in the existing NEPA documents, which appropriately considers and analyzes current environmental concerns, interests, and resource values.
3. The existing analysis and conclusions are adequate in the existing NEPA documents. The analysis is still valid in light of new studies and/or resource assessment information.
4. The methodology and analytical approach used in the existing NEPA documents continues to be appropriate for the proposed actions.
5. The direct and indirect impacts of the proposed actions are unchanged from those identified in the existing NEPA documents.

6. The cumulative impacts that would result from implementation of the proposed actions are unchanged from those analyzed in the existing NEPA documents.
7. A 30-day comment period involving public input and interagency review was used in the development of the existing NEPA documents.



IN REPLY REFER TO:
DESCRM
MC-208

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Great Plains Regional Office
115 Fourth Avenue S.E., Suite 400
Aberdeen, South Dakota 57401



MAR 02 2012

Elgin Crows Breast, THPO
Mandan, Hidatsa and Arikara Nation
404 Frontage Road
New Town, North Dakota 58763

Dear Mr. Crows Breast:

We have considered the potential effects on cultural resources of an oil well pad expansion in Dunn County, North Dakota. Approximately 11 acres were intensively inventoried using a pedestrian methodology. Potential surface disturbances are not expected to exceed the area depicted in the enclosed report. No historic properties were located that appear to possess the quality of integrity and meet at least one of the criteria (36 CFR 60.4) for inclusion on the National Register of Historic Places. No properties were located that appear to qualify for protection under the American Indian Religious Freedom Act (42 USC 1996).

As the surface management agency, and as provided for in 36 CFR 800.5, we have therefore reached a determination of **no historic properties affected** for this undertaking. Catalogued as **BIA Case Number AAO-2062/FB/12**, the proposed undertaking, location, and project dimensions are described in the following report:

Ó Donnchadha, Brian
(2012) MHA 1-31-36H-150-92 Addendum: A Class III Cultural Resource Investigation in Dunn County, North Dakota. KLJ Cultural Resources for QEP, Denver.

If your office concurs with this determination, consultation will be completed under the National Historic Preservation Act and its implementing regulations. We will adhere to the Standard Conditions of Compliance.

If you have any questions, please contact Dr. Carson N. Murdy, Regional Archaeologist, at (605) 226-7656.

Sincerely,

ACTING Regional Director

Enclosure

cc: Chairman, Three Affiliated Tribes
Superintendent, Fort Berthold Agency

Notice of Availability and Appeal Rights

QEP: Well Pad Expansion of MHA 1-31-36H-150-92

The Bureau of Indian Affairs (BIA) is planning to issue administrative approvals related to an Addendum to Authorize Land Use for the Well Pad Expansion of MHA 1-31-36H-150-92 on the Fort Berthold Reservation as shown on the attached map. Construction by QEP Energy is expected to begin in 2012.

An environmental assessment (EA) determined that proposed activities will not cause significant impacts to the human environment. An environmental impact statement is not required. Contact Earl Silk, Superintendent at 701-627-4707 for more information and/or copies of the EA and the Finding of No Significant Impact (FONSI).

The FONSI is only a finding on environmental impacts – it is not a decision to proceed with an action and *cannot* be appealed. BIA's decision to proceed with administrative actions *can* be appealed until May 1, 2012, by contacting:

**United States Department of the Interior
Office of Hearings and Appeals
Interior Board of Indian Appeals
801 N. Quincy Street, Suite 300, Arlington, Va 22203.**

Procedural details are available from the BIA Fort Berthold Agency at 701-627-4707.

Project locations.

